

Julius Bär

ONE-PAGER FOR DONORS 30.09.2020

Market comment

After the mechanical recovery phase generated by the reopening of the economies, which lasted until the end of August, the recovery from current levels of activity looks set to be more laborious. The virus is still not under control. Cross-border travel and the sectors most sensitive to physical proximity remain constrained in their ability to resume normal activity. We are therefore in the scenario that we envisaged this spring, that of a heterogeneous recovery both across countries and, within them, across sectors

In this context our sustainable equity investments performed well in absolute as well as in relative terms, outperforming the broader market. Again, our focus on innovative and sustainable companies particularly in the industrial sector was supportive for the performance. During the month of September, we sold one of our Supranational USD Green bonds, taking profits on the position. The proceeds will be reallocated to sustainable corporate bonds.

In the short term, the outcome, if any, of the US presidential election on 3 November will be the major event of the quarter. The scenario of a result so close that it is contested seems the worst. The withdrawal of fiscal stimulus remains the top macroeconomic policy risk and it is premature to worry about excessive public debt in developed economies. The end of the neo-liberal era and the rise of state-sponsored capitalism leads to blurred endogenous market signals. We see two important implications. First, tactical investment bets are riskier than ever before. Second, following on from the previous point, the result is that rule-based investment methods cannot work in a world governed by administrative and political decisions. The ultimate destination of this journey is definitely that of deflation. However, there is still a long way to go before then.

Portfolio summary

	Month - September 20	2020
Initial*	110'196'630.55	104'557'338.49
Deposits	0.00	0.00
Withdrawals	0.00	-10'000'000.00
Result (performance)	-441'488.05	15'197'804.01
Final	109'755'142.50	109'755'142.50

**31.12.2019 for "2020"; 31.08.2020 for "Month"*

The sole legally binding version is the official report.

Bank Julius Baer & Co. Ltd.

Bahnhofstrasse 36, P.O. Box, 8010 Zurich, Switzerland
T +41 (0) 58 888 1111, F +41 (0) 58 888 1122
www.juliusbaer.com

Julius Bär

Allocation per asset class and performance in USD					Benchmark	
Asset class	Market value	%	MTD	YTD	MTD	YTD
Cash and short-term investments	8'917'528.96	8.12%	1.35%	-1.38%	0.01%	0.93%
Bonds and similar positions	31'833'101.74	29.00%	-0.05%	6.90%	0.07%	6.14%
Equities and similar positions	67'010'601.48	61.05%	-0.67%	23.00%	-3.09%	5.17%
Alternative Investments	1'993'910.32	1.82%	-0.05%	0.66%	0.09%	1.69%
Total	109'755'142.50	100%	-0.33%	16.01%	-1.82%	5.58%

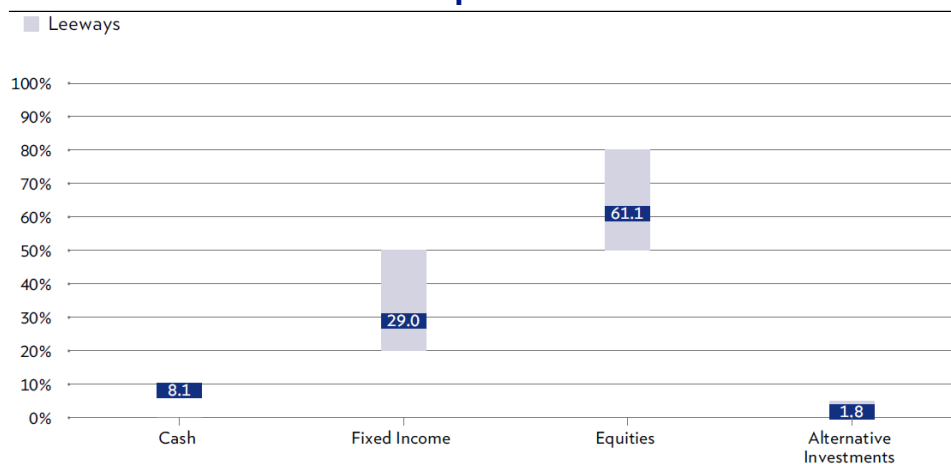
U.S.A. Consumer Price Index (CPI)

1-month % change (September 20)	0.20%
2020 % change (September 20)	0.68%

Performance

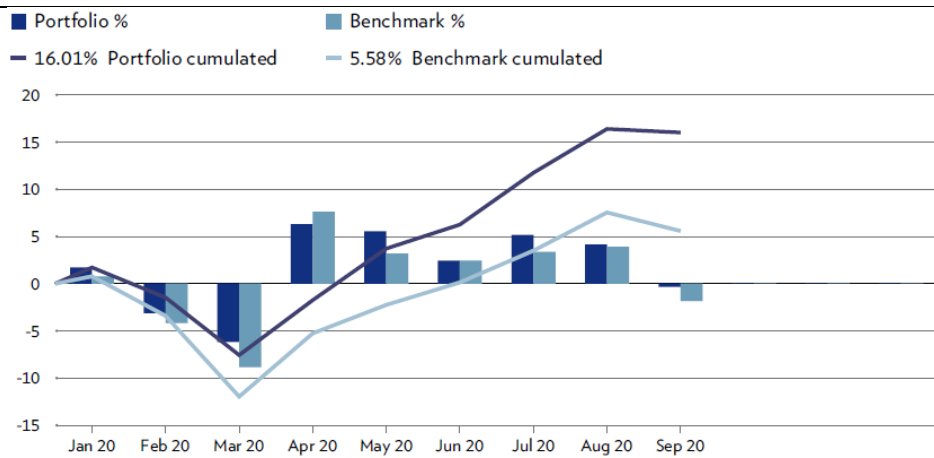
Month (September 20)		Year (2020)	
Nominal	Real	Nominal	Real
-0.33%	-0.53%	16.01%	15.33%

Allocation per asset class

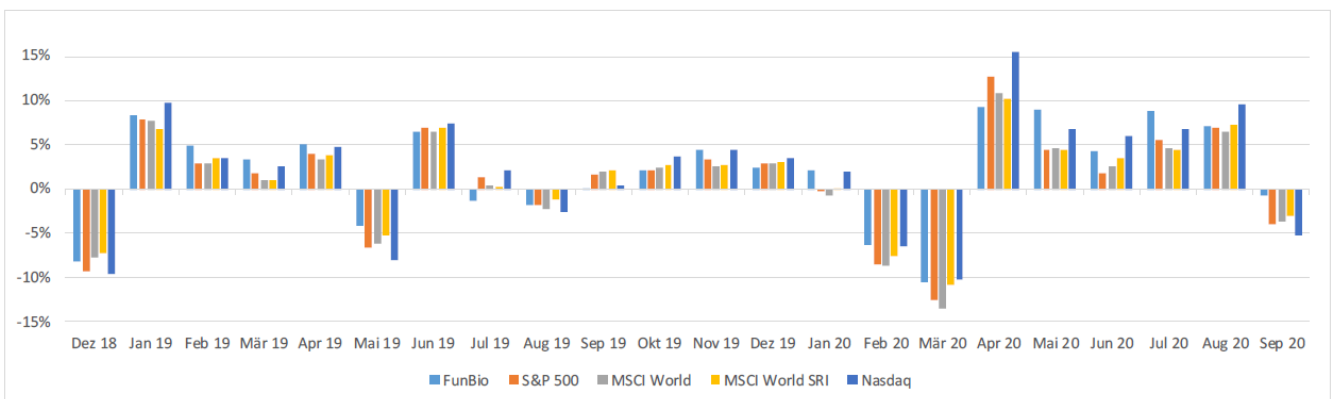
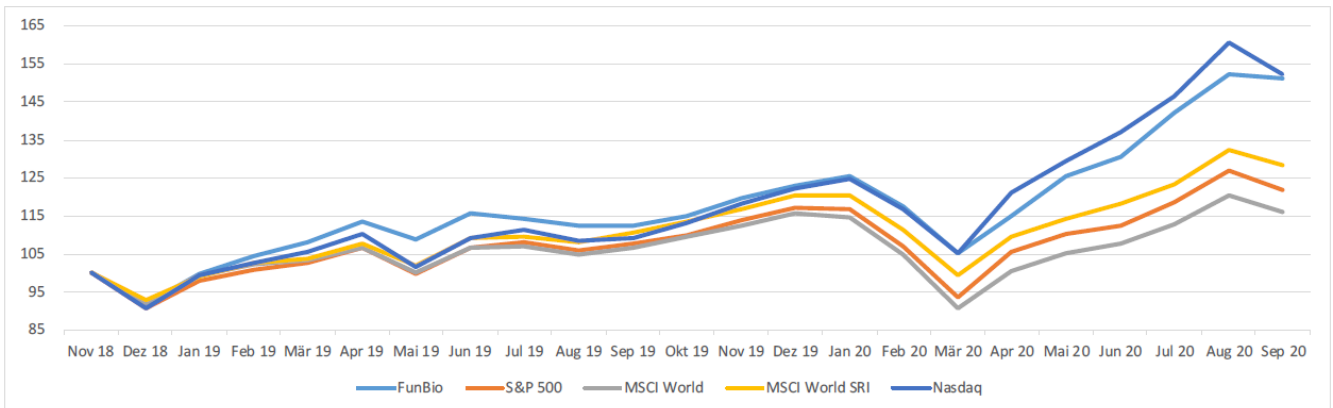


Julius Bär

Monthly gross performance YTD - Benchmark and portfolio



Development of equity - comparison with equity indices



Julius Bär

Date	FunBio	S&P 500	MSCI World	MSCI World SRI	Nasdaq
Dez 18	-8.15%	-9.18%	-7.71%	-7.28%	-9.48%
Jan 19	8.41%	7.87%	7.68%	6.86%	9.74%
Feb 19	4.94%	2.97%	2.83%	3.46%	3.44%
Mär 19	3.35%	1.79%	1.05%	1.09%	2.61%
Apr 19	5.08%	3.93%	3.37%	3.82%	4.74%
Mai 19	-4.10%	-6.58%	-6.08%	-5.24%	-7.93%
Jun 19	6.42%	6.89%	6.46%	6.99%	7.42%
Jul 19	-1.23%	1.31%	0.42%	0.28%	2.11%
Aug 19	-1.79%	-1.81%	-2.24%	-1.08%	-2.60%
Sep 19	0.13%	1.72%	1.94%	2.16%	0.46%
Okt 19	2.06%	2.04%	2.45%	2.77%	3.66%
Nov 19	4.41%	3.40%	2.63%	2.79%	4.50%
Dez 19	2.46%	2.86%	2.89%	3.04%	3.54%
Jan 20	2.06%	-0.16%	-0.68%	0.02%	1.99%
Feb 20	-6.23%	-8.41%	-8.59%	-7.46%	-6.38%
Mär 20	-10.48%	-12.51%	-13.47%	-10.84%	-10.12%
Apr 20	9.27%	12.68%	10.80%	10.26%	15.45%
Mai 20	9.02%	4.53%	4.63%	4.43%	6.75%
Jun 20	4.24%	1.84%	2.51%	3.47%	5.99%
Jul 20	8.85%	5.51%	4.69%	4.41%	6.82%
Aug 20	7.05%	7.01%	6.53%	7.30%	9.59%
Sep 20	-0.67%	-3.92%	-3.59%	-3.09%	-5.16%